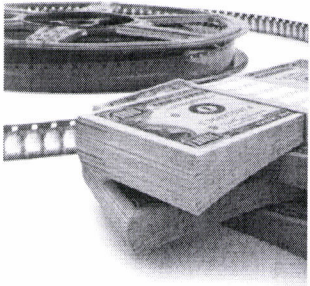


AFP seizes on new study to oppose tax incentive program for movie & TV productions

By Mitch Perry on January 27, 2015



One of the top policy priorities for the Florida chapter of Americans for Prosperity heading into the legislative session this year has been to oppose a tax incentives package that would lure movie and television productions to the Sunshine State. And its advocacy has now been emboldened by a state report that says that the state doesn't get a robust return on investment for such productions.

The Florida Office of Economic and Demographic Research released a study last week that said, since the state's tax incentive program began in 2010, only 43 cents in tax revenues is returned for every dollar of tax credits used.

That could make it harder for Florida lawmakers to get backing for proposals to replenish the entertainment-industry financial incentive program. State Sen. Nancy Detert's (R-Venice) proposal last year would have made about \$200 million in tax credits available to production crews. The House had its own proposal, offering \$50 million a year in incentives to the industry. Neither advanced. But lawmakers have been optimistic about this year's chances.

But that was before the study was released.

"Because some lawmakers were misled by Hollywood lobbyists promising massive economic growth, illustrious films and shows like *Spring Breakers*, *Magic Mike*, *What would Ryan Lochte Do?*, and even a Victoria's Secret commercial were approved to receive millions in corporate welfare," said Chris Hudson, Florida state director of Americans for Prosperity in a statement released this morning.

"These are just a few of the examples of questionable entertainment that were subsidized by Florida taxpayers – all in the name of non-existing economic growth. While Hollywood executives made big promises about job creation and economic growth, our state's own economists did the research and gave a critical review: two thumbs down for Hollywood handouts," Hudson said.. **"They found that the tax incentive program fails to live up to its hype, providing a pathetic return on investment of only 43 cents for every taxpayer dollar invested.** It's time to end Hollywood's B-rated cronyism drama in Tallahassee. No more handouts for special interests."

The AFP release came with an **infographic** sprinkled with statements like "Jobs, but not really," "Invested in Failure," and "Tourism Trap."

The Florida Office of Economic and Demographic Research study also said that **most independent analysts believe the economic benefits from film-induced tourism are "largely unsubstantiated and likely overstated."** It concludes, "While there may be individual prominent exceptions, on the whole most productions fail to satisfy these criteria, and **state programs do not generate enough of the exceptions to support the public subsidies.**"

Published reports have painted a more optimistic scenario for Florida lawmakers to approve a tax incentives package in the 2015 session, if for no other reason than the fact that the Legislature is now being lead by House Speaker Steve Crisafulli of Merritt Island and Senate President Andy Gardiner from Orlando, both representing the Central Florida area where Walt Disney World and Universal Orlando preside.

But AFP urges its followers to contact legislators to vote against any such proposal in 2015: "Tell Florida's lawmakers that we want a blockbuster economy, not a box-office flop."